

STOLL BERNE

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Steve D. Larson
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February 2, 2016

Via Hand Delivery

Hon. Michael H. Simon
United States District Judge
1000 Southwest Third Avenue
Room 1327
Portland, OR 97204

Re: *In Re Galena Biopharma Inc. Derivative Litigation*
Case No. 3:14-cv-00382-SI

Dear Judge Simon:

I write in connection with the motion for preliminary approval of the settlement in the referenced action pending before Your Honor. My firm is counsel in related derivative litigation pending in Multnomah County Circuit Court before Judge Youlee You. I have asked my office to submit this letter on my behalf, because I am in Arizona taking care of my mother who just had surgery.

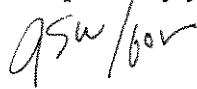
Among other things, the Stipulation of Settlement (Document No. 34-1) requires the dismissal of all Oregon state court derivative actions (notwithstanding that the Oregon plaintiffs and their counsel are not parties to the settlement) before the settlement can become effective (paragraph 6.1(e)). We bring this to the Court's attention now because the proposed preliminary approval order submitted to the Court by the settling parties attempts to bind all current stockholders before the Court has had a chance to review the merits of the proposed settlement (paragraphs 8 and 9). Plaintiffs in the Oregon state court actions have not had the opportunity to consider the settlement and we request that these provisions exclude the pending Oregon state court derivative actions so that we can pursue discovery relating to, among other things, the reasonableness of the settlement prior to our actions being dismissed.

{SSBLS Main Documents/8489/001/00563086-1 }

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We appreciate the Court's consideration.

Respectfully yours,



Steve D. Larson

SDL:dml

cc: Robert Aldisert (via email)
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